

FISCAL NOTE - CAPTION BILL

SB 2845 - HB 2558

February 23, 2000

CAPTION BILL: Fiscal note reflects amendment filed to lift bill from Senate Clerk's desk (#010471).

SUMMARY OF BILL: Establishes the Community Development Tax Incentive Task Force to be composed of nine members as follows:

- 2 Members of the Senate, recommended by the speaker and minority leader of the senate.
- 2 Members of the House of Representatives, recommended by the speaker and the minority leader of the House of Representatives.
- Commissioner of Economic and Community Development or the commissioner's designee, who shall be the chairperson of the task force.
- Commissioner of Revenue, or the commissioner's designee.
- 3 Private Citizens appointed by the Governor, who have demonstrated expertise and experience in low to moderate income housing development, urban renewal and/or corporate community investment initiatives.
- The terms of office for task force members shall be for the life of the task force. A vacancy in the task force shall be filled in the same manner in which the original appointment was made.
- Duties and Responsibilities of the Task Force:
 - Develop and oversee the implementation of a low to moderate-income housing and community development program, which encourages corporate and private sector benefactors to invest in urban renewal initiatives.
 - Creation of affordable housing.
 - Redevelopment of urban areas where local and state government have made significant investment in infrastructure.
 - Recruiting corporate and private sector benefactors to invest in such urban redevelopment initiatives.
 - Determining the feasibility of offering state and/or local tax initiatives to encourage potential corporate and private sector benefactors to invest in such urban redevelopment initiatives.
 - Developing and implementing targeted local community activities (such as meetings with community leaders and presentations to community groups).

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- Compensation for Members:
 - All legislative members of the task force shall be paid for attending task force meetings as provided in TCA 3-1-106.
 - Non-legislative members of the task force shall receive no compensation but may be reimbursed for expenses.
- All expenses of the task force shall be borne by the Department of Economic and Community Development, which shall also provide all necessary staff support to the task force.
- The task force shall have their first meeting within 120 days after the date of the enactment of this act.
- Requires the task force to submit a written report of its findings and recommendations to the General Assembly not later 1 year after the date of the first meeting.
- Terminates the task force 90 days after the date on which the report is submitted to the General Assembly.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$52,600 - One-Time

Estimate assumes the following:

- The task force will meet once per month for a period of one year.
- Nine members will attend each meeting.
- The total cost for one meeting over a two-day period is estimated to be approximately \$1,883.
- Expenses for meeting materials, copies, and postage are estimated to be approximately \$5,000.
- Expenses for project development costs are estimated at approximately \$25,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director